

Leta Friedt McGann's Testimony to  
House Business and Labor Committee  
Support FOR SB 193

Mr. Chair, Members of the committee:

My name is Leta McGann and I have owned the Red Lodge # 27 liquor store since 2004. I stand in support **FOR** SB 193. This bill is the best solution to a system that is no longer viable and sustainable under the current law. The Liquor Store Owners Association of Montana is overwhelmingly committed to preserving the three - tier (3) alcohol delivery system in Montana. We accept the banding together of liquor stores with respect to the volume of purchases we make from the State of Montana to determine what commission rate we will have for reimbursement. We are also committed to accepting decreasing percentage rates with the increase in the volume of purchases. I am willing to do this because I feel that comparing volume of purchases is a far simpler, efficient, and more equitable method of comparison. I also am willing to do this because my liquor store is my livelihood and I want to guarantee that my ten - year (10) renewable franchise agreement continues successfully in the future.

I have a unique perspective on what happens when a small town local liquor store closes. Red Lodge's liquor store was closed for two years prior to my opening. The bars were forced to have out of town liquor stores supply them. When I opened, I only had two (2) bar accounts, ninety - six percent (96%) of my sales were from walk-in retail customers, and my four (4) boys were twelve (12), ten (10), eight (8) and five (5) years old. I have worked diligently and tenaciously and it has taken me ten (10) years to earn the patronage of all of the bars in Red Lodge. I have three (3) boys in college now and all of them have worked for me to earn money for school. The bars no longer have to carry more liquor on their shelves or warehouse more liquor in their stock rooms where space is usually very limited. The bars no longer have to place larger orders to get them through the once a week deliveries because I can deliver a bar order anytime. A significant advantage that I have is to be able to fill any emergency order of vodka for bloody Mary's for in the morning the night before a holiday or Sunday such as The Red Lodge Home of Champions Rodeo, Winter Carnival, or Harley Rodeo. Most importantly, the local Red Lodge resident no longer has to drive twenty-seven (27) to fifty-nine (59) miles on two lane icy winter roads to make a liquor purchase. A Red Lodge resident no longer has to pay higher prices for their liquor. I support my Red Lodge bars and restaurants by patronizing their establishments, seeing them at the movie theatre or post office, and donating to theirs and other events and causes in the local Red Lodge community. Please save our small town local liquor stores. Can anyone afford to lose even one small town main street business? Please vote **FOR** SB 193.

Thank you for your time and consideration,

Leta Friedt McGann  
Red Lodge # 27  
Liquor Store Owners Association of Montana Secretary  
Carbon Stillwater Taverns Association Secretary  
Laurel High School Booster  
Parent Volunteer for The Laurel Dodgers American Legion Class A Baseball Team



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April 8, 2015

Representative Tom Berry, Chairman  
Business and Labor Committee  
Montana House of Representatives  
Helena, Montana

Dear Chairman Berry and Members of the Committee:

Please support SB193. My name is Dan Severson and own Valley Drug & Variety in Stevensville. An important part of our business is the State Liquor Store #115. I purchased Valley Drug in 1991 including the liquor store which had been part of the business for many years. Our store employs about 34 people. All of our team works hard to provide services including the liquor store to our customers in the Bitterroot Valley.

Montana's liquor distribution system is a good system and has great people working in that department and great stores through out our State. SB193 will stabilize that system to insure the future of the system for the State of Montana, our businesses, our customers, our employees, and our entire communities.

Thanks for your time and consideration.

Dan Severson  
Valley Drug & Variety  
Valley Drug State Liquor Store

Testimony for Public Hearing  
House Business and Labor Committee  
April 8, 2015

Betty J Christman  
Hardin Liquor Store #37  
522 N. Center Ave.  
Hardin, MT 59034

Senate Bill #193

Chairman Berry, and members of the Committee,

I have been an agent for the State of Montana, for nearly 25 years.

My commission rate now is 13.704%;

I started out working on a flat 10% commission, all moneys I collected was deposited into a State account and a check was issued to me at the end of each month based on my sales.

In 1995 I went thru the privatization of the Liquor Stores. This set my commission rate at 11.984%.

In 2001 HB 348 gave me an additional increased based on Sales Volumes, currently that increases my commission by 1.5%.

The balance of .22% increase in my Commission comes from the three year review of the States commssion rates as per our Agency Franchise Agreement.

What SB 193 does:

1. It levels the playing field for all agents.
2. It gets rid of an outdated mathematical formula based on 1994 sales.
3. It will save the State of Montana money in the long term.

Please support SB 193.

Respectfully,  
Betty J Christman  
Hardin #37

April 7, 2015

To: House Business & Labor Committee

From: Dan & Denise Moerkerke, Hamilton – Store #18

Please except this letter as our testimony in support of SB 193. We are asking you to please support SB 193 as the MTA, Liquor Division, and the Liquor Store Owners Association all support it. Your support on this bill will do the following:

- #1 – It will the save the State of Montana time and money.
- #2 – It secures the liquor 3 tier structure that we have in place that keeps our stores in our communities.
- #3 – It puts all of the liquor stores on an equal playing field.
- #4 – It gives us a very easy to understand system to figure our commission year to year.
- #5 – It will implement it over a 3 year period for adjustments.

Thank you for your time and support. Please call with any questions.

Cheers Unlimited

Hamilton Store #18

Dan & Denise Moerkerke

360-1349

## **Testimony in support of Senate Bill 193**

Brenden Byrd  
Montana Liquor and Wine (Kalispell #195)  
Kalispell, MT

Mr. Chair and Members of the Committee,

My name is Brenden Byrd and I run my families' liquor store (Montana Liquor & Wine) in Kalispell, MT. I am in support of Senate Bill 193 because it ensures a balanced system that will impact the long-term stability of Montana small businesses as well as our personal employee's futures. I would greatly appreciate your support on this bill and thank you for your time and service to our communities.

Thank you,

Brenden Byrd  
Montana Liquor and Wine

SB 193  
Minh-Ha & Kelly Murphy  
Statement

My family and I moved from Seattle when we bought Kalispell Liquor Store #12 about 1.5 years ago. My husband was born and raised in Kalispell and attended the University of Montana, but left the State to pursue work after graduating. Buying the liquor store presented a great opportunity for our family to return to Montana and raise our 3 kids (now 4 months, 2 years and 4 years) here. We believe strongly that SB 193 helps to stabilize the liquor distribution system in Montana and ensures a fair opportunity for all current and future liquor store owners, employees and their families.

Sincerely,  
Kalispell Liquor Store #12  
Minh-Ha, Kelly, J.D., Mckala and Gannon Murphy